

**LACEY MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING
JUNE 4, 2014**

Pledge of Allegiance

ROLL CALL

A Regular Meeting of the Lacey Municipal Utilities Authority was held on Wednesday, June 4, 2014 and was called to order at 7:00 p.m. by James Knoeller, Chairman. Other members present were Michael Masciale, Richard Kennedy, Arthur Miklosey, and Nicholas Juliano. Also present were Jerry Dasti, Esq, attorney; Felipe Contreras, engineer; Jerry Conaty, auditor; Edward A. Woolf, Executive Director; and Deborah Busch, Office Manager.

**“SUNSHINE
LAW”
STATEMENT**

Mr. Knoeller read the following statement.

Notice of this regular meeting was adequately provided pursuant to Public Law 1975, Chapter 231.

Such Notice was posted at both the Lacey Township Municipal Building and at the Office of the Lacey Municipal Utilities Authority, Forked River, New Jersey.

Such Notice was forwarded to the following newspapers:

- a. Asbury Park Press
- b. Atlantic City Press

Such Notice was also forwarded to the Lacey Township Clerk for posting and filing.

**APPROVAL
OF MINUTES**

Regular Meeting of May 7, 2014 – A motion was made by Mr. Masciale and seconded by Mr. Miklosey to approve the minutes of the Regular Meeting of May 7, 2014. Roll call vote: Masciale-Yes; Miklosey-Yes; Juliano-Yes; Kennedy-Yes; Knoeller-Yes. Motion passed.

Closed Session Meeting of May 7, 2014 – A motion was made by Mr. Kennedy and seconded by Mr. Miklosey to approve the minutes of the Closed Session Meeting of May 7, 2014. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

**EXECUTIVE
DIRECTOR'S
REPORT**

Cash Balance Report - Period Ending April 30, 2014 - Mr. Woolf summarized the cash balances for period ending April 30, 2014 as follows: Total cash balance for the unrestricted accounts were \$6,729,608.28, with earnings of \$256.45. Total cash balance for the restricted accounts held by the trustee were \$5,353,952.60, with earnings of \$1,050.97. Current period interest on the restricted and unrestricted accounts was \$1,307.42. Year-to-date earnings on all interest bearing accounts were \$12,644.76.

Resolution 2014-35 – Award Contract for Furnish & Delivery of Water Meters and Associated Material – 2014 – On recommendation by the executive director, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to adopt *Resolution 2014-35, Resolution of the Lacey Municipal Utilities Authority, County of Ocean, State of New Jersey, Awarding Furnish & Delivery of Water Meters and Associated Material 2014* to HD Supply in the amount of \$17,140.00. Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

LMUA Procurement Card – Mr. Woolf requested authorization to obtain a Procurement Card (company credit card). He explained there have been several instances where the LMUA has been in need of a company credit card to make purchases. Ms. Busch added the card is not a line of credit, it is a credit card that would have to be funded. A motion was made by Mr. Masciale and seconded by Mr. Kennedy to authorize the executive director to obtain a Procurement Card to be funded in the amount of \$5,400.00. Roll call vote: Masciale-Yes; Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Ford F-250 Pickup Trucks – Mr. Woolf requested authorization to purchase three (3) Ford F-250 pickup trucks, replacing three (3) existing trucks in the amount of \$77,573.00, which is under state contract. Mr. Knoeller asked what will happen to the old trucks. Mr. Woolf stated historically, they have been donated to the Township Public Works department, and/or they are used as snow removal vehicles. Mr. Knoeller asked Mr. Woolf to contact the Lacey Food Bank and see if they are in need of one of the trucks. Mr. Masciale asked if it is necessary to purchase three trucks. Mr. Woolf explained 2 of the 3 trucks need to be replaced, and one is in fair condition. There is a ten year cycle with the pickup trucks and they are over ten years old. A motion was made by Mr. Kennedy and seconded by Mr. Juliano authorizing the purchase of three (3) Ford F-250 pickup trucks. Roll call vote: Kennedy-Yes; Juliano-Yes; Miklosey-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

BUSINESS REPORT

The business report was submitted for review.

ENGINEER'S REPORT

Water Treatment Plant No. 1 Upgrades – Mr. Contreras stated the Bureau of Safe Drinking Water Permit to operate Well No. 7 and WTP was submitted. His office is currently working with NJDEP Bureau of Construction and Well Permitting to secure the permit to operate. Chemical dose tune-up was completed, and well sampling by the State was conducted May 5th. NJDEP is to return to the site to complete a second sampling (verification samples). Line verification with JCP&L is complete, and all trees have been removed. Mr. Masciale asked how long will it take for the results to come back. Mr. Contreras stated approximately two weeks. Mr. Knoeller asked Mr. Contreras if he contacted Casey Parker about preliminary design of the road at the site. Mr. Contreras stated he will be providing Mr. Parker with asbuilts once project is complete.

Meter Installation – Mr. Contreras stated this project is under LMUA review, and on hold until approved by FEMA.

Installation of Hydraulic Grinder at CP-1 – Mr. Contreras stated bids were received May 29, 2014 and are under review.

ATTORNEY'S REPORT

Well No. 8 - Mr. Dasti stated he communicated with the Township Administrator concerning the issue of the Township and the Authority being responsible for each other's professional fees. As of this date, he has not received a response.

Sprint Spectrum - Mr. Dasti stated he discussed and confirmed with Mr. Woolf that there are 6-10 antennas to be installed on the Hill Street water tank.

Lacey Corner, LLC – Mr. Dasti stated his office reviewed the letters from RV&V concerning the application for sewer and water approval.

Personnel Issues – Mr. Dasti stated he has communicated with and assisted the Commissioners with regard to a personnel matter involving an Authority employee.

AUDITOR'S REPORT

Status Report – Month Ending April 30, 2014 – Mr. Conaty reported user charges, and for both water and sewer had a favorable variance for the month. Interest income had an unfavorable variance due to investments not performing as well as expected.

CORRESPONDENCE

David Menold, Bowline Drive – Requesting relief of utility bill, due to broken water pipe. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$73.04 (23,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Nicholas Tomasso, Laurel Blvd – Requesting relief of utility bill, due to broken pipe and water meter. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a credit adjustment on the sewer charges in the amount of \$102.52 (34,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Dana Wolfarth, Constitution Drive – Requesting relief of utility bill, due to outside faucet leak. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$156.21 (34,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mr. & Mrs. Cella, Laurel Blvd. – Requesting relief of utility bill, due to underground pipe leak. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$1,087.70 (170,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Patricia Walicke, Kennebec Rd. – Requesting relief of utility bill, due to broken pipe. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer

charges in the amount of \$578.50 (84,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mary Zeoli, Cork Pl. - Requesting relief of utility bill, due to outside faucet leak. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a credit adjustment on the sewer charges in the amount of \$20.88 (19,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Donna Robertson, Capstan Dr. – Requesting relief of utility bill, due to broken pipe. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Miklosey to grant a credit adjustment on the sewer charges in the amount of \$79.28 (31,000 gallons). Roll call vote: Kennedy-Yes; Miklosey-Yes; Juliano-Yes; Masciale-Yes; Knoeller-Yes. Motion passed.

Mark Mannuzza, Bowline Drive – Requesting relief of utility bill, due to broken pipe. Since the water that leaked did not go into the sewer system, a motion was made by Mr. Kennedy and seconded by Mr. Masciale to grant a credit adjustment on the sewer charges in the amount of \$710.70 (115,000 gallons). Roll call vote: Kennedy-Yes; Masciale-Yes; Juliano-Yes; Miklosey-Yes; Knoeller-Yes. Motion passed.

Patrick Rawlins, Beach Bld. – Mr. Rawlins was present to discuss issues he has with his utility bill. In summary, he explained he has been out of the county for six to seven months out of the year since 2008. According to his utility bills, he is being charged for water consumption during those months. He insists his bill should reflect zero usage on both water and sewer for the months he is away.

Mr. Rawlins stated in January the Authority informed him he had a leak, and the water was shut off at the curb because of frozen pipes. He submitted correspondence requesting relief on his bill. Mr. Woolf stated the Board granted relief on the sewer portion of his bill in the amount of \$817.00. The balance due on his account was \$904.18. Mr. Rawlins stated the frozen pipes was an act of God, therefore, should not be charged for the water. Mr. Dasti explained legally the Authority cannot provide relief on the water portion of the bill. He stated everyone gets charged for water that goes through the meter, whether it is used or not.

Mr. Rawlins was disturbed by the disconnect notice that was put on his door informing him that his water was going to be shut off. Mr. Dasti explained the Authority has a policy that if a customer does not pay their bill within 90 days the customer is in jeopardy of having their water turned off. Mr. Knoeller stated there were over 200 customers scheduled to be disconnected. Mr. Dasti pointed out the Authority did not know he was out of the country and recommends that he contact the LMUA next time he leaves the country to have his water shut off.

Mr. Rawlins asked how was the number of gallons used to determine his usage. Mr. Woolf stated he did an average of his prior four (4) quarters of water usage. Mr. Rawlins asked how can there be an average if he was out of the country. Mr. Dasti informed Mr. Rawlins he can have his water meter tested to determine if it is working properly. Mr. Knoeller pointed out the most insignificant drip would cause water to go

going through the meter. Mr. Rawlins stated if there was a leak the number of gallons used would be consistent each month.

Mr. Rawlins requested a detailed accounting report as to why he has been paying for water usage for past few years while he was out of the country.

Mr. Knoeller asked Mr. Woolf to provide Mr. Rawlings with a detailed history of his account dating back to 2009.

**OLD
BUSINESS**

There was no old business to discuss.

**NEW
BUSINESS**

Mr. Juliano asked Mr. Woolf for the status of the appointment of bond counsel. Mr. Woolf stated this issue was discussed in February, and the Board elected not to appoint bond counsel since there was no need to do so. The Authority refinanced a majority of its bonds and does not anticipate any new issues coming up. Mr. Knoeller asked that this appointment be revisited, and for Mr. Woolf to provide the Board with bond counsel rates for the next meeting.

**PUBLIC BUSINESS/
COMMENT**

There was no public business/comment.

**PAYMENT OF
VOUCHERS**

WHEREAS, the members of the Lacey Municipal Utilities Authority carefully examined all vouchers presented for payment of claims;

NOW, THEREFORE, BE IT RESOLVED by the Lacey Municipal Utilities Authority that:

1. Said vouchers in the sum of \$899,245.01 be same are hereby approved to be paid.
2. Said vouchers are listed on the attached computer check register.

A motion was made by Mr. Miklosey and seconded by Mr. Kennedy to adopt the above resolution. Roll call vote: Miklosey-Yes; Kennedy-Yes; Juliano-Yes, but abstains on Eastern Warehouse Distributors; Masciale-Yes; Knoeller-Yes. Motion passed.

**CLOSED
SESSION**

RESOLUTION

WHEREAS, Section 8 of the Open Public Meetings Act, Chapter 231, Public Law 1975 permits the exclusion of the public from a meeting in certain circumstances;

WHEREAS, this public body is of the opinion that such circumstances presently exist.

NOW, THEREFORE, BE IT RESOLVED by the Lacey Municipal Utilities Authority, County of Ocean and State of New Jersey as follows:

1. The public shall be excluded from discussion of action upon the hereinafter specified subject matters.

2. The general nature of this closed session concerns personnel matters.

3. It is anticipated at this time that the above-stated matters will be made public once these matters have been resolved.

4. This resolution shall take effect immediately.

A motion was made by Mr. Masciale and seconded by Mr. Kennedy to adopt the above resolution. Roll call vote: Unanimously approved.

Separate minutes were kept on the above closed session.

Ms. Kennedy and Ms. Busch were excused from a portion of the meeting.

**RE-OPEN
MEETING**

A motion was made and seconded to return to open session. Motion unanimously carried.

**OTHER
BUSINESS**

The Authority agreed to the following salary adjustments:

1. Troy Burton – elevated to the position of Operational Supervisor at a salary of \$60,000.00 per year, effective June 5, 2014, with a review in 90 days.
2. James Doeren – salary adjustment to \$63,000.00 per year, effective June 5, 2014.
3. Edward Woolf, Executive Director – salary adjustment to \$111,000.00, effective June 5, 2014, with a review in 90 days.

A motion was made, seconded and unanimously carried to make the aforementioned salary adjustment. Thereafter a Motion was made, seconded and unanimously carried to adjourn the meeting at 8:15 p.m.

Respectfully submitted,

Michele Kennedy
Executive Secretary

